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C O N F I D E N T I A L SECTION 01 OF 02 HONG KONG 000189

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DEPT FOR EAP/CM

E.O. 12958: DECL: 01/08/2034  
TAGS: [PGOV](#) [PREL](#) [HK](#) [MC](#)  
SUBJECT: HONG KONG/MACAU: HIGH-LEVEL ATTENTION ON  
STRENGTHENING TIES

Classified By: Consul General Joe Donovan for reasons 1.4 (B,D).

¶1. (C) Summary: Despite their common colonial past, shared dialect and geographic proximity, Hong Kong and Macau until recently have had minimal high-level official interaction. With Macau's until-recent dynamic economic expansion now putting it on a more equal (and competitive) footing with Hong Kong, the two Special Administrative Regions have begun to formalize their strong, but informal, working-level ties and to explore new areas for cooperation. Since late 2007, the two governments have established formal mechanisms for regular high-level exchanges and sustained working-level collaboration in 16 key areas. End summary.

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Formal Mechanisms In Place  
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¶2. (C) To our knowledge, neither Chief Executive (CE) has ever visited the other Special Administrative Region (SAR) in his official capacity. However, Hong Kong Constitutional and Mainland Affairs Bureau (CMAB) Assistant Secretary Christina Chong, responsible for Hong Kong's relations with Macau, told us CEs Donald Tsang and Edmund Ho do discuss issues of mutual concern directly. Local media have not covered these below-the-radar exchanges, tacitly reinforcing the public perception that the two CEs have little in common. CE Tsang is a British-trained civil servant from a modest background, while CE Ho hails from a wealthy and prominent family of "patriotic businessmen." English-language Macau Post Daily director Harald Bruning (protect) contends the two leaders likely only interact when they are instructed by Beijing to collaborate on specific initiatives, such as joint development of the Pearl River Delta.

¶3. (SBU) The two SARs agreed in November 2007 to establish a strategic-level dialogue chaired by Hong Kong's Financial Secretary John Tsang and Macau's Secretary for Economy and Finance Francis Tam, which held its first session in June ¶2008. The November 2007 meeting also proposed a working-level exchange between relevant agencies in 16 key areas, which was formalized in February 2008 under the overall coordination of Hong Kong's CMAB and Macau's Office of the Chief Executive.

¶4. (C) The 16 areas for cooperation encompass:

- a. Law enforcement;
- b. Immigration;
- c. Tourism and conventions;
- d. Cross-boundary ferry service;
- e. Cross-boundary infrastructure;
- f. Taxation arrangements;
- g. District administration;
- h. Civil service training;
- i. Employment and professional exchange;
- j. City planning;
- k. Cultural heritage protection;

- l. Environmental protection;
- m. Culture and sport;
- n. Public hygiene and medical care;
- o. Education and training; and
- p. Social welfare.

Current training exchanges focus primarily on Macau learning from Hong Kong. CMAB's Chong told us Hong Kong's civil service has trained more than 100 Macau government "trainers" to help Macau raise the quality of its civil service. Macau law enforcement also is increasingly looking to their more experienced Hong Kong counterparts for training in fighting human and narcotics trafficking and money laundering.

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Two Systems, One Destination  
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15. (SBU) Immigration and tourism are two areas in which the SARs are working to lower barriers for their mutual benefit. To encourage more inter-SAR travel, Hong Kong's Secretary for Security recently announced that starting in mid-2009, Hong Kong will no longer require Macau residents to complete arrival/departure notification forms. Hong Kong will also extend the limit of stay from 14 days to 180 days for Macau permanent residents and to 30 days for non-permanent residents. Macau is expected to reciprocate.

16. (SBU) On tourism, the two SARs and Guangdong have formed the Guangdong, Hong Kong, and Macau Tourism Marketing Organization to jointly promote one-trip, multi-destination itineraries for long-haul travelers by highlighting the

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unique characteristics of the three locales. Hong Kong is promoted as a sightseeing, shopping and dining capital, and Macau highlights its World Heritage, gaming and entertainment facilities. Guangdong touts its world-class golfing in Zhuhai and Shenzhen. For the two SARs, this collaboration could help them reach a larger overseas market and reduce their reliance on short-haul visitors.  
DONOVAN